



BUDGET COMMITTEE

Meeting Minutes
10/10/2013, 2 pm, PDC 104

Members Present – Amalia Perez, Ed Millican, Ferny Arana, Girija Raghavan, Jeremy Sims (for Glen Kuck), James Dulgeroff, Jose Torres, Matthew Isaac, Mike Strong, Rhonda Prater, Rosemarie Hansen, Sheri Lillard, Steve Sutorus, Tim Oliver, Yendis Battle

Members Absent – Cheryl Marshall, Denise Allen-Hoyt, Karen Peterson, Kathy Crow, Stacy Meyer, Patrick Kirk Dorsey, Scott Stark

Welcome/Introductions

Tim Oliver opened the meeting and self-introductions were made.

Approve September 12, 2013 Minutes

Members reviewed the minutes of the September 12, 2013 meeting. Yendis Battle made a motion, and Matthew Isaac seconded, to approve the minutes. The motion was passed by consensus.

Budget Update

Jose Torres updated the committee on the following:

- 1) Regarding the Redevelopment Agency money, there is still a discrepancy between the Department of Finance and the State Chancellor's office regarding the amount of backfill. This issue will probably remain unresolved until mid-November, when property taxes are collected. The dispute amount is between \$41 and \$121 million statewide, or between approximately \$400,000 and \$1.3 million for SBCCD.
- 2) The District has completed the 311 report which supports its compliance with the 50% Law. The law requires that at least 50% of all SBCCD expenditures be made in direct instructional support to benefit the students. The District's percentage for 2012-13 is 50.66%, or \$391,000 over the amount required. Because this number is so close to the 50% mark, and because it has slipped from 50.8% in 2011-12, Jose advised that a report is being developed that will monitor the figure throughout the year, thereby ensuring compliance and avoiding any year-end surprises.
- 3) County Schools is currently reviewing the District's budget. Once the budget is approved, budget transfers will commence.
- 4) The state controller's monthly report of cash flow shows revenues for September 2013 of more than \$427 or 5.3% million over estimated revenues. \$93.2 million is the total for the quarter. This means that the District will probably get the funding for which it budgeted.

Long Range Financial Planning

Tim advised that he, Mike Strong, Scott Stark, Jose, Steve Sutorus and the new Director of Internal Audit, Larry Strong, met to talk about planning needs. The group determined that it is important for the District to look as far ahead as is feasible and key in on the area of the highest cost. This

would be staffing and benefits. It is hoped that some planning instruments can be assembled and brought to the Budget Committee for review in time to be used for the 2015 development budget development.

In answer to a question from Ferny Arana, Tim advised that currently, each entity has a different system for building its budget. He said it would be good to have one system used throughout the entire District, i.e. the same forms, software, approach, etc. The Chancellor is very anxious to see this happen. It is difficult to achieve District objectives without consistent planning.

Feedback from the Government Finance Officers Association on the District's award winning budget, as well as accreditation standards, indicates that the District needs to develop consistent planning methods. Planning and the use of resources must match. Each department, including academics, will be asked to project needs out over 3-5 years. That info would be gathered together to be reviewed districtwide as regards staffing, space, equipment, supplies, etc. The second component is development of a process for submitting requests during budget development and tying the requests back to planning. The third issue is development of criteria for review, prioritization and approval of requests. Jose said that the ideal system would enable department heads to have control of the tools to start planning ahead. Tim added that this needs to be a continual system, not a periodic plan.

The College Brain Trust Study Update

Sheri Lillard advised that the SBVC Academic Senate was concerned that consultants had been hired "out of the blue" to assess the resource allocation model, rather than having a Budget Committee subcommittee do it, as discussed last year. Tim advised that the CHC Budget Committee also had concerns about the scope of the analysis and was requesting that all of the operations within the District be looked at by the College Brain Trust, and not just CHC's. Tim advised that the colleges and KVCR/EDCT run differently and that consultants that review colleges are not equipped to review radio stations. As regards district office operations, the consultants have advised that community college districts are so varied that previous studies of this nature have not been successful.

It was decided that the District would move forward with the Brain Trust reviewing both colleges, as well as the District's resource allocation model and fund management. They will report to both campus budget committees and the District Budget Committee. Tim reminded committee members that the consultants don't make decisions – they just provide feedback.

Ed Millican said that it was a good thing that the consultants would be looking at both colleges. Mike added that CHC thought it was a good thing as well, to get all the information so that the District can make the best decision.

Budget Revenue & Expenditures

Jose advised the committee about the new format of this report. Girija Raghavan asked if employees were to receive COLA salary increases this year. Jose explained that the salary schedules were not adjusted as part of the budget process. The Hay Group salary study was mentioned and someone asked why the study had been delayed. Tim replied that the first meeting is scheduled for next week; he did not know why it had not started sooner.

2012-13 Committee Self-Evaluation

	Almost Always	Often	Sometimes	
Transparent: Open, easy to understand, clearly defined, characterized by effective and meaningful communication with the District community	3	6	1	
	Very Good	Good	Fair	No Opinion
Quality of information flow from the constituency groups to the committee	3	3	3	1
Training or mentoring for you as a committee member	3	2	4	1
Adherence to expectations or norms for committee members and convener(s)	4	2	3	1

In response to the "Fair" ratings in last year's committee self-evaluation, Tim asked committee members to comment on transparency. Sheri suggested getting a report similar to the Revenue & Expenditure Summary, broken down by site. Jose offered to run financials by site. In answer to a comment from James Dulgeroff about being able to reference past meeting and budget materials, Jose used the laptop and projector to navigate to the Budget Committee webpage. He demonstrated for committee members that past budgets, as well as committee archives could be found online. Kelly Goodrich will send the link to committee members.

Tim advised that we should continue to review the "Fair" ratings at next month's meeting to allow for participation from members who were not in attendance.

Adjournment

Tim adjourned the meeting. The next regular meeting is scheduled for November 14, 2013, 2:00 pm, in PDC 104.

Kelly Goodrich, Recorder